

## Parts Manager Conversation

Collaborate with your Parts Manager to answer the following questions. Use this opportunity to share new ideas from the class and to coach your Parts Manager on how they can be implemented. Be sure to respect their expertise. **Provide your answers in a different color font.**

1. What formal parts management training does your parts manager have (for example, the NADA Academy Seminar)? **Gm Center of learning. Parts consultant development program, CDK University for parts manager, Subaru foundation for Parts, Chrysler performance institute, Mazda experience training.**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? **Pine Belt vision statement- to be the dealer of choice for both customers AND employees**
3. Have you ever tracked your First Time Fill Rate (FTFR) manually (not using the DMS or your OEM)? What is your current Repair Order FTFR? **not in a while...usually around 98% for maintenance and 60% for other.**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **Sales-58% inside and 42% outside. Gross 74% inside and 26% outside**
5. What policies, controls, and security are in place on your DMS (via Privileges and/or the Exception or Deviation Reports) to prevent counter people from changing the pricing structure during daily transactions? **CDK allows us to block the changing prices to select personel.**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **Select parts personel and the Ops Director**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **Internal pricing was established by our owner, ops director and parts manager.**
8. If you are in a Retail Reimbursement for Warranty state, are you at retail for warranty? If not, when was the last time you petitioned the OE for retail reimbursement? **Our last petition brought us above retail.**
9. Do the Parts, Service and Body Shop Managers work with the Office Manager/Controller monthly to follow up on all Work in Process (WIP) documents. Do they verify that all parts invoices and repair orders are closed out in a timely manner? What does this look like? **Each**

department reviews their own. The ops Director also reviews each dept. to make sure it gets done.

10. Is the financial statement for the Parts department given to the manager and discussed on a weekly/monthly basis? If not, is a daily operating report of sales, gross profit, etc., provided to the Parts Manager for review (DOC)? **The DOC is provided to the parts manager. We also created a few reports to show productivity and profit percentages. The Ops Director also sits with me once a month to review**
11. What is your retail pricing strategy for your Parts department? How often do you check to see whether your pricing goals are being achieved? **Whatever the market will bear. We check to see percentages are in line on a daily basis. It is easier to find and track an error this way**
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? **Our marketing director checks this once a month- Joe Pagano.**
13. Do you have a Parts online eStore? How do you ensure that parts order forms/queries are responded to in a timely manner? Who gets the email leads/questions? **We use repair link, 4 countermen receive the email notification.**
14. What sales training is available to Parts personnel? If training is available, is it mandatory? How often are sales skills assessed, tested, and refreshed? **n/a**
15. Do you have a process to offer accessories to 100% of your New and Used customers? If so, what does it look like? If not, why not? **Yes, we currently upgrading that process. We also use the Chevy accessories site for outside sales.**
16. What would help you sell more accessories? **A strong push at time of sale on the new vehicle. We are implanting a new process.**
17. Do you review your wholesale customers to see if their sales, gross, and returns justify the expense of conducting business with them? How often are they reviewed? **We are not a large wholesale dealership. We do a good job based on our size. We review customers account when a part is returned to assure they are worthy to keep on the books.**
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? **We have a monthly department budget. I have a spread sheet to monitor each employee on a daily sales basis. I have assigned different percentage of sales and gross to each counterman depending on what section of they dept. they cover**
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? **We do perpetual inventories through out**

the year and 1 yearly outside service inventory. The adjustments are made to accounting at the yearly.

20. Are lost sales being tracked in your DMS? Do you have a common definition that all counter people understand? What is your definition? **We do track lost sales. The rule is- if we do not have it at the time of request apply it as a lost sale.**
21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? **The customer. We have various steps in contacting customers in place to ensure we can set the appointment.**
22. In your store, what do you feel is the biggest cause of frozen capital and/or obsolescence? What is the current dollar value of your obsolescence? **We monitor it religiously. Our obsolescence value is \$2457.00**
23. What is your phase in/phase out strategy? How do you balance this strategy with factory recommended stocking guidelines (RIM, ARO, Parts Eye, etc.)? **RIM is our main strategy. I also run a weekly stock order to see if there is anything they are not picking up.**
24. On a scale of 1-10 (10 = expert level) what is your level of understanding of the information that is on your DMS's monthly summary? **7-9**
25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? **Nothing!**